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Stock Market & Company

Stocks keep gaining for eight straight sessions

The Financial Express, April 22, 2021

- Stocks ended marginally higher on Thursday, extending the gaining streak for the eight straight sessions, as investors continued to show their appetite on sector-wise issues despite the ongoing countywide lockdown. The market witnessed high volatility in early trading but the rest of the session went up steadily amid the growing confidence of investors in the market.
- However, the presence of investors on the trading floor remained very low due to the ongoing lockdown and reduced trading hours. Most investors executed their trading online or through mobile apps.
- DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), went up by 11.80 points or 0.21 per cent to settle at 5,435. DSEX added more than 273 points in the past eight consecutive sessions. Two other indices also ended marginally higher. The DS30 index, comprising blue chips, advanced 4.05 points to close at 2,087 and the Shariah Index (DSES) rose 3.90 points to finish at 1,237.
- Turnover on the DSE rose to Tk 8.83 billion, which was 14 per cent higher than the previous day's turnover of Tk 7.76 billion.
- Beximco -- the flagship company of Beximco Group -- continued to dominate the turnover chart with shares worth about Tk 1.54 billion changing hands, followed by Beximco Pharma (Tk 444 million), LankaBangla Finance (Tk 398 million), BD Finance (Tk 353 million) and Robi (Tk 272 million).
- The Chittagong Stock Exchange (CSE) also ended marginally higher with the CSE All Share Price Index -- CASPI --gaining 12 points to settle at 15,723 and the Selective Categories Index -- CSCX advancing 7.0 points to close at 9,485.

<https://thefinancialexpress.com.bd/stock/stocks-keep-gaining-for-eight-straight-sessions-1619088063>

Ten most-traded stocks grab 48pc turnover

The Financial Express, April 22, 2021

- Bangladesh Export Import Company (Beximco) - the flagship company of Beximco Group, continued to lead the Dhaka bourse's turnover list while the ten most-traded stocks grabbed 48 per cent transaction on Wednesday.

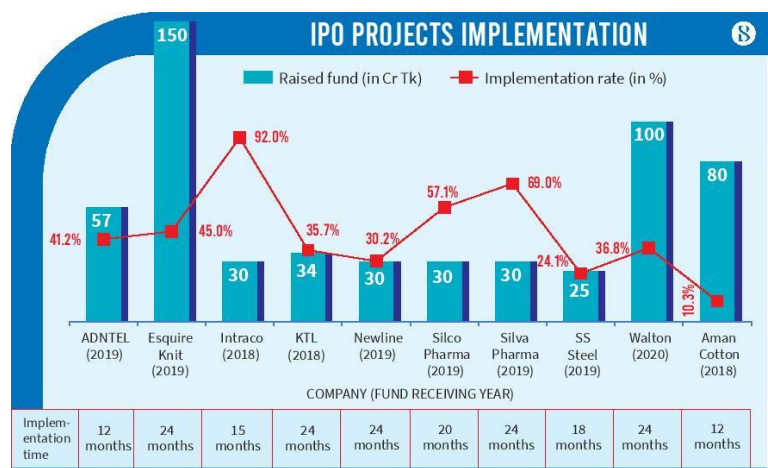
- According to available data with the Dhaka Stock Exchange (DSE), about 14.94 million Beximco's shares were traded, generating a turnover of Tk 1.30 billion, which was 16.72 per cent of the day's total turnover.
- The company's share closed at Tk 86.10 on Wednesday, gaining 0.47 per cent over the previous day. Its shares price soared more than 25 per cent or Tk 17.40 each within seven trading days.
- Beximco Pharmaceuticals was the second highest turnover leader with shares worth Tk 430 million changing hands. The drug maker's share closed at Tk 192.30 each on Wednesday, rising 1.53 per cent over the previous day.

<https://thefinancialexpress.com.bd/stock/ten-most-traded-stocks-grab-48pc-turnover-1619066637>

IPO funded projects hit a snag in pandemic

The Business Standard, April 24, 2021

- A number of companies have entered the capital market during the Covid-19 pandemic but the projects articulated under the initial public offerings (IPOs) could not make enough progress.
- On 17 May 2017, Intraco Refueling Station Limited raised Tk30 crore from the stock market to set up an LPG bottling and distribution plant. Intraco later changed its IPO plan and decided to buy an LPG plant. It imported some machinery but could not install the machinery, hampered by Covid restrictions.
- The same is the case for New Line Clothings Limited. The company raised Tk30 crore in April 2019 for the construction of a building and the installation of machinery.
- Meanwhile, ADN Telecom Limited is not moving ahead with their projects. In 2019, the company raised Tk57 crore for infrastructure development, bank loan repayment, and setting up of data centres
- Runner Automobiles Limited raised Tk100 crore from the stock market for research and development, purchase of equipment, and repayment of bank loans.
- Dominage Steel Building Systems Limited, like Runner Automobiles, has also kept its IPO money in FDR with the permission of the regulator. Aman Cotton Fibrous Limited could not use their IPO funds even after three years of the listing. According to BSEC sources, it has kept Tk72 crore of investors' money in FDR to provide support to another company of the group.



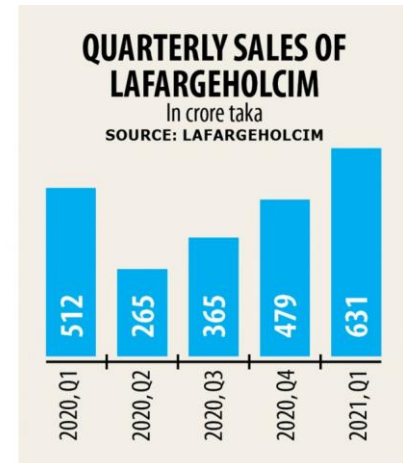
<https://www.tbsnews.net/economy/stock/ipo-funded-projects-hit-snag-pandemic-236698>

LafargeHolcim profit doubles in Q1 on higher sales

The Daily Star, April 23, 2021

- LafargeHolcim Bangladesh said yesterday its profit almost doubled in the first quarter of 2021, riding on a staggering 23 per cent growth in sales amid the pandemic. Net sales of the local subsidiary of the global cement giant stood at Tk 631.8 crore in the January to March quarter, up from Tk 512.8 crore year-on-year, as its new products were well-received by the customers. Based on the higher sales, net profit rose 98 per cent to Tk 103 crore. The company disclosed the data after its board meeting yesterday.

- It posted earnings per share of Tk 0.89 in the quarter, which was Tk 0.45 during the same period a year earlier.
- LafargeHolcim began the commercial production of clear-size graded aggregate in January.
- Aggregate is a broad category of coarse particulate material used in construction, including sand, gravel, crushed stone, slag, recycled concrete and geo-synthetic aggregates.
- The company set up the crushing unit with ancillary equipment on its existing integrated clinker and cement manufacturing plant in Chhatak, Sunamganj. It can produce 12 lakh tonnes of aggregate per annum. It invested Tk 40.1 crore for the unit.



<https://www.thedailystar.net/business/news/lafargeholcim-profit-doubles-q1-higher-sales-2082365>

Listed firms allowed time extension for financial disclosures

The Business Standard, April 22, 2021

- On demand of the Bangladesh Association of Publicly Listed Companies (BAPLC), the Bangladesh Securities and Exchange Commission (BSEC) has temporarily relaxed the deadline for listed companies to submit their financial disclosures.
- The listed companies can now submit their monthly, quarterly and other financial statements to the BSEC and the bourses till 25 May. The BSEC issued a directive in this regard on Thursday.
- According to the rules, it said the companies have to accomplish the financial statement preparations and external audits within the next 120 days and submit the statement copies by the 14 following days. Hence, the above-listed companies have to submit their 2020 annual statements by 14 May 2021.
- Also, they have the 15 May deadline to submit the unaudited statements for the January-March quarter of this year as companies get 45 days to submit their first quarter and 30 days for the second and the third quarterly statements since the end of the respective quarters.
- Because of the disruption in regular office activities amid the countrywide lockdown, withdrawal of audit teams of CA firms and their abstinence to conduct internal audits, the BAPLC sought regulatory relaxation until the pandemic situation improves.

<https://www.tbsnews.net/economy/stock/listed-firms-allowed-time-extension-financial-disclosures-235834>

BSEC worried about listed power cos as tenure of PPAs ends soon

Newage, April 24, 2021

- The Bangladesh Securities and Exchange Commission has expressed its concern about the future of a number of listed power companies as the tenure of power purchase agreements signed between the companies and the Bangladesh Power Development Board is nearing to an end.
- The BSEC on April 15 sent a letter to the power, energy and mineral resources ministry, requesting it to inform the securities regulator whether there is any possibility of tenure extension of the PPAs.
- Earlier on March 11, the parliamentary standing committee on power, energy and mineral resources ministry suggested that the ministry should not extend the tenure of quick rental power plants with the aim of phasing out the power plants by 2024 to reduce the expenditure from growing capacity charges.
- In the letter, the BSEC mentioned the names of 10 companies, including state-run Dhaka Electric Supply Company Limited and Power Grid Company of Bangladesh Limited, and their investors' shareholding position.

- The eight private power companies mentioned in the letter are Baraka Power Limited, Doreen Power Generation and Systems Limited, Energypac Power Generation Company, GBB Power Limited, Khulna Power Company Limited, Shahjibazar Power Company Limited, Summit Power Limited and United Power Generation and Distribution Company Limited.
- The PPA tenure of two power plants of Khulna Power Company — KPCL Unit-2 and Khan Jahan Ali Power Company — will end on May 31 and May 28 respectively.

<https://www.newagebd.net/article/136258/bsec-worried-about-listed-power-cos-as-tenure-of-ppas-ends-soon>

Economy & Industry

Mercantile Bank's profit rises 16% in Q1

The Business Standard, April 24, 2021

- Mercantile Bank, which got listed on the stock exchanges in 2004, has reported a 16% increase in profit in the first quarter of this year. The private sector lender has approved a 15% dividend – 10% cash and 5% bonus – for its shareholders.
- In the January-March quarter, the bank said its consolidated earnings per share (EPS) stood at Tk0.64 and solo EPS at Tk0.56, which was Tk0.55 and Tk0.53 respectively in the same period of the previous year. As per un-audited financials, in the first quarter, its consolidated net profit stood at Tk62.97 crore.
- Its consolidated net asset value (NAV) stood at Tk2,284.33 crore, an increase from Tk2,270.29 crore in the previous year. In 2020, the private commercial bank reported a profit of Tk223.13 crore, and the consolidated EPS stood at Tk2.26.
- As of March 2021, of the total 984,016,217 shares, sponsors and directors held 37.69%, institutional investors 23.52%, foreign investors 4.08%, and general investors 34.71%.

<https://www.tbsnews.net/economy/banking/mercantile-banks-profit-rises-16-q1-236704>

JETRO for lifting TT remittance limitation for import trade

Newage, April 24, 2021

- The Japan External Trade Organization has laid emphasis on lifting the limitation on Telegraphic Transfer (TT) remittance for import trade to attract more Japanese investment in Bangladesh. The organisation observed that the limitation was hindering import for increasing trade and investment in the country.
- To this end, deputy secretary of the commerce ministry Mohammad Monir Hossain Hawlader said that the government was considering the issue positively and necessary steps had already been taken in the draft Import Policy for 2021-2024 to make the TT remittance process for importing easier.
- Japanese entrepreneurs are also showing their interest to invest in the country's manufacturing, fast-moving consumer goods (FMCG), infrastructure development and tech and digital based startup companies, he added.
- He said that the Japanese firms were also investing in different projects under the Public Private Partnership (PPP) method.
- For attracting more Japanese investors, the Japanese trade diplomat said that Bangladesh would have to remove the bottlenecks of investment and improve its position in the ease of doing business index.

<https://www.newagebd.net/article/136261/jetro-for-lifting-tt-remittance-limitation-for-import-trade>

Branchless banking gaining ground

The Daily Star, April 25, 2021

- A good number of banks are going towards branchless banking in recent times by way of rolling out different digital products as a part of their efforts to reach out to more people both in rural and urban areas.
- People's habit of branch-led banking has also reduced to a great extent as a large number of clients now prefer to settle transactions sitting from their homes by using internet or mobile app-based banking in order to protect themselves from the coronavirus.
- Md Arfan Ali, managing director of Bank Asia, said his bank had set up only seven branches in the last two years and it does not have any strong plan to open such outlets in the days ahead. "But we have a roadmap to open a good number of sub-branches in the days ahead to operate our digital banking activities in rural areas," he said. Bank Asia has already established the agent banking window in a massive manner and it now works on popularising the retail banking operated by the micro-merchant account holder.
- Banks with lower CAMELS rating are permitted to open a lesser number of branches than the strong ones. The CAMELS is a recognized international rating system that bank supervisory authorities use in order to rate financial institutions according to six factors represented by its acronym.

<https://www.thedailystar.net/business/news/branchless-banking-gaining-ground-2083361>

International

Dollar falls as yields languish, euro gets extra late-day lift

The Daily Star, April 25, 2021

- The dollar fell against major currencies on Friday as US yields languished and the euro got an extra late-day lift following an earlier boost from an upbeat survey of purchasing managers.
- The dollar index fell 0.5 per cent to 90.8080, a level not seen since early March, after the euro climbed 0.7 per cent to \$1.2098, pushing through its earlier high for the week.
- More than half of the euro's appreciation came late in the day after the market digested earlier economic news.
- Another report said new home sales in the United States jumped 21 per cent in March. Both affirmed that the economy was being lifted by government stimulus and increased vaccinations against the coronavirus.
- The US survey results were tempered by manufacturers reporting increased struggles to get raw materials and other supplies for production. Yields on 10-year US Treasuries traded in a narrow range through the news and were at 1.56 per cent late in the day, about four basis points lower than at the start of the week.
- Until the late-day boost to the euro, Chandler said Friday's major currency markets were largely "a continuation of what we have seen since the beginning of the month," with the dollar losing much that it had gained earlier in the year as yields climbed to 1.75 per cent on March 31.

<https://www.thedailystar.net/business/global-business/news/dollar-falls-yields-languish-euro-gets-extra-late-day-lift-2083289>

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Bank Asia Securities Limited (BASL) is one of the leading full-service brokerage companies in Bangladesh. The company was formed in 2009 and running its operation as a majority owned subsidiary of Bank Asia Limited. BASL offers full-fledged standard brokerage services for retail, institutional and foreign clients with a dedicated team of skilled professionals. The company is currently providing the brokerage services under the membership of Dhaka Stock Exchange Limited (DSE).

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